GOVERNMENT OF INDIA
TEXTILES
LOK SABHA

UNSTARRED QUESTION NO:2518
ANSWERED ON:07.03.2003
OBSOLETE TECHNOLOGY IN TEXTILE INDUSTRY
RAM SHAKAL

Will the Minister of TEXTILES be pleased to state:

(a) whether the textile industry is facing the problem of obsolete technology;

(b) if so, the details thereof;

(c) whether any Research and Development work is being done with a view to replace the obsolete technology with a modern one;

(d) if so, the details of the schemes being formulated in this regard; and

(e) the name of countries visited by the Ministers and officials in this regard alongwith the total expenditure incurred thereon during the last two years?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF TEXTILES (SHRI BASANAGOUDA R. PATIL (YATNAL)

(a) & (b) Yes, Sir. Textile Industry, being one of the oldest industries, suffers from technological obsolescence in most of its segments. However, it is more pronounced in weaving and processing segments.

(c) & (d) In order to facilitate modernization/technology upgradation of textile mills, Government has launched a Technology Upgradation Fund Scheme (TUFS) for Textile and Jute Industries, w.e f. 1.4.1999 for a period of 5 years, i.eup to 31st March 2004 . The main feature of this Scheme is that it provides a reimbursement of 5% point on the interest charged by the lending agency on a project of technology upgradation in conformity with this scheme. There is no cap on funding under this scheme. With effect from 1st Janury 2002, an option has been provided to the Small Scale Textile and Jute Industries to avail of either 12 percent Credit Linked Capital Subsidy (CLCS-TUFS) or 5 percent interest reimbursement under TUFSAs on 31.12.2002, 2023 applications have been received under the scheme with a project cost of Rs.15810 crore and a loan requirement of Rs.9095 crore.1982 applications have been sanctioned a loan amount of Rs.6101 crore. Rs.4203 crore have been disbursed in respect of 1430 applications.

The project cost in respect of sanctioned and disbursed cases are Rs.12384 crore and Rs.10340 crore respectively.

(e) Taking into account the response of the industry to the above mentioned scheme of modernization, no foreign visits for Minister or officials for the purpose of modernisation of textile industry have so far been done in last two years.